Brief Overview of the U.S. Department of Energy's Clean Cities International Program August 1996 through May 2000

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Background

Clean Cities is a program sponsored by the U.S. Department of Energy (DOE) designed to encourage the use of alternative fuel vehicles (AFV) and its supporting infrastructure. By encouraging AFV use, the Clean Cities program helps to achieve energy security and environmental quality goals on local, national, and international levels. The Clean Cities program takes a unique, voluntary approach to AFV development, working with coalitions of local stakeholders to help develop local strategies and initiatives to integrate AFVs into the local transportation sector. There are currently 77 Clean Cities in the United States, 3 border programs with the cities of El Paso, Texas and Juarez, Mexico; Detroit, Michigan and Toronto, Canada; and Grand Forks, North Dakota and Winnipeg, Canada; and a separate international program in Santiago, Chile.

The DOE Clean Cities International Program began as a result of the Hemispheric Energy Symposium held in October 1995 in follow up to the December 1994 Summit of the Americas. The Hemispheric Energy Symposium was held in order to begin the implementation process for Agenda Items of the Summit of the Americas Plan of Action pertaining to energy cooperation and sustainable development. Hemispheric Clean Cities was one of 40 initiatives established.

Clean Cities Model in Santiago, Chile

In follow-up to the Hemispheric Clean Cities Initiative, DOE offered to share the Clean Cities model with the city of Santiago, Chile in October 1996 due to the strong economy and the development of the first natural gas pipeline from Argentina to Chile in late 1995. Since that time, the Clean Cities Program has sent personnel to Santiago on different occasions and supported the Government of Chile in establishing a Clean Cities Coordinator position in Santiago with cooperation from U.S. industry including Chicago-based GRI (formerly Gas Research Institute), Thomas Built Buses, Natural Fuels, and John Deere Power Systems.

The following events have occurred in Santiago, Chile with respect to the deployment of AFVs since the involvement of the city of Santiago in the Clean Cities Program:

October 1996 – February 1997: Santiago Clean Cities Stakeholders officially convened to move the process forward. A Clean Cities Coordinator for the effort was placed on contract, and regular meetings are held. A Memorandum of Understanding was signed by Chilean President Frei and Chicago Mayor Richard Daley for pro-action information exchange.

<u>December 1998</u>: A planning meeting was held in Santiago with Clean Cities stakeholders that included representatives from DOE and GRI. A central action item established during that

meeting was the implementation of a "Reverse Trade Mission" for a delegation of Chileans to witness alternative fuel vehicle (AFV) technology both in the manufacturing stage, and in operation.

<u>August 1999</u>: A Clean Cities/GRI sponsored Reverse Trade Mission occurred in August 1999 and successfully showcased North American technology to the Chileans. The following sites were visited:

- Washington, DC: U.S. Trade & Development Agency; EX-IM Bank; World Bank; Department of Energy.
- *Denver, CO*: Natural Fuels Corporation; Denver International Airport; Denver Air Quality Specialist.
- Southern California: NGV EcoTrans; El Dorado National; Sun Line Transit.
- Dallas, TX: Dallas Area Rapid Transit; Lone Star Energy and Vehicle Upfitter.

October 12, 1999: As a result of the Reverse Trade Mission, the Chilean National Environmental Commission (CONAMA) (counterpart to the Environmental Protection Agency (EPA)), and the Office of the Governor of Santiago, implemented a \$1.2 million subsidy (roughly \$24,000 per bus) for the purchase of natural gas buses in 2000.

<u>January 2000</u>: Democratic Socialist Ricardo Lagos is elected President of Chile and publicly announces a plan to deploy 4,000 natural gas buses by 2005.

May 22 through May 24, 2000: A Seminar will be held for U.S. Industry to visit with and discuss marketing opportunities for light, medium, and heavy duty compressed natural gas (CNG) vehicles with the Santiago Clean Cities Stakeholders and other government officials. This session is also expected to attract representatives from Argentina and Brazil.

Year 2000 Clean Cities International Activities

The success of the Clean Cities Santiago Program and sister city relationships between border cities in Mexico and Canada has attracted interest in the Clean Cities Program and U.S. AFV technology from other developing countries. Representatives from DOE and GRI have received inquiries for more information on the program from representatives in countries including: Argentina, Colombia, Egypt, El Salvador, Mexico, Portugal, Trinidad & Tobago, and Venezuela. Clean Cities staff has also participated in meetings with World Bank staff regarding the merits of AFV technologies. Clean Cities International sponsored events, in which representatives from these countries will participate in the year 2000, include:

- May 9, 2000 International Session at the 6th National Clean Cities Conference, "Clean Cities University: A Worldwide Perspective" with presentations on opportunities for the U.S. AFV industry and international representatives, including:
 - The U.S./Mexico Bi-National Commission's efforts to create a vehicle emissions testing facility in northern Mexico and joint AFV projects with the San Diego Clean Cities Coalition;

- The deployment of the Clean Cities Corridor extending from Monterrey, Mexico to Winnipeg, Canada;
- The status of the deployment of natural gas buses and available subsidy in Santiago, Chile;
- U.S. based technology tours showcasing U.S. AFV technology for international delegations; and
- Greenhouse gas emission reduction benefits and the potential markets for trading resulting emission reduction credits from the deployment of U.S. AFV technologies internationally;
- May 10, 2000 Greenhouse Gas Emission Reduction Training Session to be held in San Diego, California in conjunction with the 6th National Clean Cities Conference;
- Translation of market and technical information on AFV technology to be posted on the "Clean Cities International" link of the Clean Cities Website, www.ccities.doe.gov.
- May 22-24, 2000 International Seminar: Public Transport, Natural Gas and the Environment, Challenges for 2000 to take place at the Crowne Plaza Hotel in Santiago, Chile.

For more information on the Clean Cities International Program, please contact Ms. Marcy Rood of the U.S. Department of Energy on tel. 202-586-8161, Email: marcy.rood@hq.doe.gov or Ms. Julie P. Doherty of Science Applications International Corporation, tel. 703-676-5253, Email: julie.p.doherty@saic.com. Information can also be obtained by visiting the "Clean Cities International" link of the Clean Cities Website: http://www.ccities.doe.gov.